

that it should also redeem Russian notes made the bank a victim of the vicissitudes of Russian finance and was the moving cause of a demand, after the crisis of 1857, for a separate coinage unit in Finland. This was granted by the Russian Emperor by a decree of April 4, 1860. The new unit, the *markka*, had the merit of being at once the equivalent of the French franc and one-fourth the nominal gold value of the Russian rouble. The depreciation of silver after 1866 caused the same disorder in Finland as elsewhere and led to the adoption by decree of August 9, 1877, of a gold-standard law and the suspension of free coinage of silver.

The statutes of the bank were reformed in 1867 upon the model of those of the Royal Bank of Sweden. The bank is the property of the state and its profits go into the Treasury. The Estates choose four delegates and four auditors and exercise by other means control over the general policy of the bank. The capital is 25,000,000 marks (\$4,825,000) with a reserve of 31,739,855 marks. The limit of authorized or uncovered circulation is 40,000,000 marks, to which 10,000,000 marks may be added, by consent of the government, to meet emergencies. For any excess above these amounts, the bank must hold either gold, foreign bills, credits with correspondents abroad, or bonds of a class readily marketable on foreign bourses. Deposits payable on demand must be covered in the same manner as notes, and the amount of actual gold must not be less than 20,000,000 marks.¹

Preparations for the introduction of the Russian monetary system into Finland were indicated by a decree of May 27, 1904, making Russian gold full legal tender; but Finnish money remained for the time being legal tender alongside the Russian and no immediate requirement in regard to Russian money was imposed upon the bank.⁸ The circulation of the bank at the close of 1907 was 95,026,745 marks (\$18,340,000) and its assets, which reached a total of

¹ Frederiksen, 196.

* *Bulletin de Statistique*, September, 1904, I/VT, 332.